



Corporate Social Responsibility Report 2009

Gründex

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Preface

The global world's order expects from the business to make a profit and increase its competitiveness, while promoting sustainable economic, environmental and social development.

"Grindeks" is a socially responsible company, which already in 2002, in response to UN Secretary General Kofi Annan's invitation as one of the first Latvian companies joined the "UN Global Compact", which brings together socially responsible companies from around the world. This year "Grindeks" submits in its eighth report to the UN on the context of the Global Compact.



Being a responsible company that operates transparently, starting from 2007 "Grindeks" publishes a Corporate Governance Report, and for the first time this year has created this Corporate Social Responsibility Report for 2009 (hereinafter - the Report). This will help the different stakeholders of the company to learn more about "Grindeks" activity, creating lasting solutions to public health. This Report describes the corporate social responsibility issues that are essential to the company and to the pharmaceutical industry as a whole. Preparing the Report, internationally recognized guidelines were used.

So far, the company reported on the socially responsible business and sustainable development to its stakeholders in annual reports, but this year and beyond – by this Report, and permanently - by using a section "Corporate Social Responsibility" on the company's web site www.grindeks.lv, where this Report will be also published.

The Report is submitted to the Stock Exchange "NASDAQ OMX Riga" simultaneously with the Annual Report of "Grindeks" 2009 and is published on the website www.nasdaqomxbaltic.com.

Kirovs Lipmans
Chairman of the Council

Jānis Romanovskis
Chairman of the Board

Profile and Strategy

"Grindeks" was founded in 1946. The company continues to develop and to take a leading position of the pharmaceutical companies in the Baltic states. The main fields of action of "Grindeks" are: research, development, manufacturing and sales. "Grindeks" specializes in the heart and cardiovascular, CNS and anti-cancer medication therapeutic groups.

The Group of "Grindeks" consists of JSC "Grindeks" and its four subsidiaries: JSC "Tallinn Pharmaceutical Plant" in Estonia, JSC "Kalceks", "Namu Apsaimniekošanas projekti" Ltd. in Latvia and "Grindeks RUS" Ltd. in Russia. The representatives and representative offices of "Grindeks" are working in fourteen countries. Branches and representative offices are in Lithuania, Estonia, Russia, Kazakhstan, Ukraine, Belarus, Moldova, Georgia, Azerbaijan and Uzbekistan, while the representative offices are in Poland, the Czech Republic, Hungary and Armenia. In 2009 the total number of employees in the company, together with the representative offices and the subsidiaries was 895.

In Latvia "Grindeks" has always been a driving force in its sector – with a highly skilled workforce, a strong link with science, high standards of quality and responsible attitude towards environment and society as a whole.

The operating strategy of "Grindeks" is firmly based on its mission to care for human health, employees' interests and shareholders' wealth, as well as to rely on innovation and to be environmentally friendly company. The business philosophy of "Grindeks" is closely connected with the company's four key values – quality, stability, innovation, and employees. It stimulates the business growth, promotes competitiveness and develops the company's internal culture.

Strategic priorities for action

Manufacturing is one of the company's strategic priorities for action, so as to ensure high production efficiency, "Grindeks" continuously develops its production infrastructure and introduces new technologies. "Grindeks" cares so that, increasing the production capacity, it not only ensures the company's growth of the turnover, but also effectively cares for the environment.

One of "Grindeks" strategic priorities for action is a permanent improvement of the product portfolio. "Grindeks" follows the trends of the pharmaceutical market, and actively responds to the consumer needs, offering the necessary medicines.

To increase "Grindeks" sales of medications, the company has developed a targeted marketing agency network and focuses its activities both in existing markets and new perspective markets. "Grindeks" purposefully works on the pharmaceutical Group's expansion and on the development of its operations.

Company's sustainable development

Dialogue with stakeholders is important for "Grindeks". This helps to understand the different expectations of the audiences, opportunities to cooperate with them and to integrate in the company's strategy the knowledge acquired. "Grindeks" regularly evaluates and analyzes the stakeholders and their relationship with the company's business objectives and strategies in order to address issues that may have a significant impact on the company's performance.



Contribution to sustainability of society

The annual audited financial statements of "Grindeks" for the year 2009 – the Group's turnover was 53.6 million lats, and the net profit was 3.6 million lats. Production and sales, provides that "Grindeks" takes a stable, high position among the companies with the largest exporting potential in Latvia. "Grindeks" not only cares about the good business performance, but like other socially responsible companies in the world, in addition to its business development gives funds to the sustainability of the society. "Grindeks" annually supports health promotion activities, education, informs students about the importance of the science and encourages the scientific research. In dialogue with the public, at the same time the company increases its own quality and environmental protection standards. "Grindeks" business development goes hand in hand with corporate social responsibility. "Grindeks" sponsorship and support is focused on activities that promote educated, healthy and cultural society.

Corporate social responsibility

The implemented corporate social responsibility of "Grindeks" activities are focused primarily on:

- local society;
- environment;
- employees;
- the company's sustainable development.

Every year "Grindeks" supports health promotion activities, stimulates the growth of education, introduces pupils to the importance of natural science and contributes to the scientific innovation, at the same time increases the company's quality and environmental protection standards, promoting two-way dialogue with the society.

Each year the company carries out major investments in the development of manufacturing technologies and infrastructure, in the high quality of medications and substances, as well as in the environmental protection, public health and safety at work. It demonstrates the confidence of "Grindeks" in the chemical industry's global voluntary initiative "Responsible Care", and the UN "Global Compact" objectives. "Grindeks", taking strategic decisions, evaluates their potential impact on the environment.

At "Grindeks" the sustainable development and corporate social responsibility are included in the job responsibilities of the Heads of the Communications Department, the Personnel Department and the Quality Management System, as well as the Quality Director. Adopting important decisions, the company's impact on the public, employees, suppliers, subcontractors, customers, consumers, environment and economy is taken into account.

The company constantly publishes a section "Corporate Social Responsibility" on the company's web site www.grindeks.lv.

Collaboration and Partnership

Company listed on Stock Exchange

Since 2 January of 2006 "Grindeks" shares are listed on the Official List of "NASDAQ OMX Riga" (hereinafter – the Stock Exchange). From 1 June 1998 to 1 January 2006 the company was in the Second List. In 2008 and 2009 "Grindeks" received the "Baltic Corporate Excellence Award" as the best Latvian company listed in the Baltics. In 2008 and 2009 "Grindeks" received an award for the best investor relations online in the Baltic states within the project *The Baltic Market Awards*, organized by the Stock Exchange. The information, published on the Stock Exchange, can be found also on the website of "Grindeks" www.grindeks.lv under a section "For investors".



One of the most important operational factors of "Grindeks" are the clearly set management principles that help to achieve short and long term goals. "Grindeks" is one of the best examples of corporate governance and good practice in Latvia. "Grindeks" is conducted by the General Meeting of Shareholders, the Supervisory Council and the Management Board. Constructive cooperation between the shareholders and company management enables the efficient management of multidimensional pharmaceutical company business and mitigate potential risks. In order to stimulate product sales and reduce the company's operating risks, the company continually works to strengthen existing and develop new markets, and purposefully diversified.

Integrated Management System

The company and partners are interdependent and mutually advantageous relations raise the additional added value. An integrated management system gives an opportunity to fundamentally link good management practice to good practice in any major field of the company. An integrated, systematic approach organizes and facilitates all of the company's business processes and makes them more effective. This, in turn, enhances collaboration with suppliers, promote reliability. Regular business self-assessment stimulates consistency of the internal functioning, reduces errors, thereby optimizing costs, and improves business competitiveness and profitability. The Integrated Management System is a way, how "Grindeks" works and manages its business. It is a tool, how to integrate and implement effective and efficient process and action management. Continuous improvement of activities has become a drive of the development of "Grindeks" and long-term goal.

International cooperation

"Grindeks" develops its international activities in the both fields: manufacturing and trade. "Grindeks" is a highly export-oriented pharmaceutical company. Total exports account for 96%. "Grindeks" exports its products to over 40 countries. The main markets of the ready-made medications of "Grindeks" are CIS countries, including Russia. In its turn, the main active pharmaceutical ingredient export markets of "Grindeks" are Europe, Japan, Canada, the USA, Russia and Pakistan.

In 2009 number of suppliers of "Grindeks" was more than 380 (organizations of raw materials, spare parts, packaging, and service). In its turn, client range of active pharmaceutical ingredients and the final dosage forms is more than 180 clients a year.

To assess and to improve its operations, "Grindeks" annually carries out customer satisfaction survey in key business areas of activity – in the business of final dosage forms and active pharmaceutical ingredients.

"Grindeks" is a flexible company that is adapting to changing market conditions, choosing to work with reliable business partners in each market. To achieve successful financial management objectives, the company carries out production and resource optimization, reduces costs and concentrates production capacity, as well as purposefully improves range of products. Each year "Grindeks" introduces at least four new products. To effectively charge the available production capacity, "Grindeks" also offers production services to other companies.

"Grindeks" focuses to its key business areas, therefore the company uses outsourcing services for the various functions. Evaluating the business processes, "Grindeks" transfers its functions, which require large investments or specific knowledge, to the outsourcing provider. Thus the company focuses the financial and human resources to the development and competitiveness in strategically important areas of the long-term. "Grindeks" successfully cooperates with the Latvian scientists and research institutes and foreign pharmaceutical companies in the implementation of various research projects that promote research and development of new substances.

Membership in organizations

In 2009 "Grindeks" continued active participation in several associations and non-governmental organizations and contributed to the dialogue between state institutions and enterprises, and participated in the trilateral talks between the government, employers and employees.

"Grindeks" is an active member and supporter of numerous organizations - Pharmacists Society of Latvia, Association of the Latvian Chemical and Pharmaceutical Industry, Latvian Chamber of Commerce and Industry, Latvian Quality Association. On the international level, "Grindeks" is the member and supporter of Latvian Chamber of Commerce in Lithuania, as well as the member of "UN Global Compact" and partner of the Global Chemical Industry Program "Responsible Care". In 2009, "Grindeks" continued the membership at Latvian Biotechnology Association. Membership at the Association gives the opportunity to our company to follow all the current events of the field, take part in promotion and development of the industry as well as find ideas for perspective projects in biotechnologies.

Safety, Quality and Environment

"Grindeks" follows the "UN Global Compact" principle – companies must undertake initiatives to promote greater environmental responsibility and environmentally friendly technologies.

There is a permanent environmental issues section on the web site of "Grindeks" www.grindeks.lv called "Environment. Quality. Safety." Similarly, the publicly available information related to the protection of the environment, the company includes in the Annual Reports.



Quality and Safety

The pharmaceutical production is one of the most responsible manufacturing sectors, as it relates to human life and health, therefore the pharmaceutical industry is faced with particularly high quality requirements. "Grindeks" operation is certified under the "Good Manufacturing Practice" (GMP) standards. The introduced "Good Manufacturing Practice" is a guarantee that "Grindeks" works in accordance with the European Union's and the world's requirements, producing high quality, safe and effective medications.

In 2007 an Active pharmaceutical ingredients scale-up laboratory was opened, which is the first laboratory in the Baltics, which received the international Good Laboratory Practice certificate. This proves that the organization of work in the laboratory meets the highest standards of laboratories worldwide. The active pharmaceutical ingredient research takes place under the requirements of Current Good Manufacturing Practice and specific customer requirements.

The production plants of "Grindeks" have been audited by both, the partners and the pharmaceutical inspections of the entire world recognizing the compliance with international quality standards. In 2009 "Grindeks" successfully passed 23 significant inspections and audits by Latvian and foreign state agencies of medicine and supervisory bodies of food supplement manufacturers, clients and institutions of environmental protection.

Pharmacovigilance

With its responsibility towards its products and the health of the consumers, JSC "Grindeks" continues to develop its Pharmacovigilance system in all sales markets. For the purpose of elimination of potential risks and health hazards, data on the effects of the medicinal products are being summarised, investigated and evaluated and the information about side-effects and interactions with other medications is being gathered.

To ensure the control of safe use of medications, there is a Pharmacovigilance Group at the company, which key task is to state and timely eliminate adverse/side effects from the use of medications and to report to the competent authorities.

The analysis of the reports and their further submission to the competent authorities are carried out in accordance with the relevant guidelines and pharmaceutical companies' practices. "Grindeks" is involved in the electronic reporting system EudraVigilance which is also the main European Risk Management Strategy support between the EMEA (European Medicines Agency) and the competent national authorities.

On the "Grindeks" web site www.grindeks.lv there is a permanent section "Monitoring of Side Effects." The company also has set up a section "Health School" on the website, in which the company offers information on various health topics, diagnosis and the symptoms, possible solutions for health strengthening and recovery, as well as useful tips.

Quality and Environmental Management

According to the international and Latvian standards LVS EN ISO 9001:2008 and LVS EN ISO 14001:2004, "Grindeks" has introduced Integrated Quality and Environmental Management System that covers all the operational areas of "Grindeks". This allows continuous improvement of business processes, providing our customers and consumers with high-quality and safe products, and regularly update and improve the product portfolio. This Management gives the systematic research of new products and markets and development of medicines; in its turn, the research of customer satisfaction and the services are essential for the increase of sales volume and as the means of obtaining feedback from the customers.

At "Grindeks" the Quality Director is responsible for the implementation and maintenance of the Latvian and international LVS EN ISO 14001:2004. In its turn, the Head of the Quality Management System Division is responsible for the implementation and maintenance the Latvian and international standard LVS EN ISO 9001:2008 implementation and maintenance. They are obliged to:

- provide development, implementation and maintenance of the Integrated Quality and Environmental Management System;
- Provide regular reports on the execution and performance improvement needs for the Quality and Environmental Management System.

The Quality, Safety and Environmental Policy of "Grindeks" proves the safety and quality of its products produced, as well as the quality of services provided. Research, development, manufacture and sales of active pharmaceutical ingredients and final dosage forms of "Grindeks" are organized so as to ensure quality and safety of products, as well as sparing effect on the environment.

The ground rules of the Quality, Safety and Environmental Policy of "Grindeks":

- Concerted actions by:
 - expectations of shareholders and employees;
 - expectations and satisfaction of customers;
 - laws and regulations and other requirements.
- Good practice principles and continuous monitoring of their execution.
- Ongoing operational improvements in:
 - Labour protection System;
 - Quality Management System according to LVS EN ISO 9001:2008 standard;
 - Environmental Management System in accordance with LVS EN ISO 14001:2004 standard.
- Continuous environmental impact reduction of production, products and services.

Quality, safety and environmental issues are regularly reviewed during the company's Board and Management meetings with the purpose to develop them, taking into account to market changes and customer expectations. The Quality, Safety and Environmental Policy is explained to all employees of the company. The company holds regular staff training, building a high level of environmental awareness.

"Grindeks" systematically carries out an environmental impact assessment, and the Division of Quality analyses monitoring indicators on a regular basis.

Environmental Management System

"Grindeks" monitors the impact on environment in the entire life cycle of its products – in research, development, production and sales, and invests more and more finances in the development and improvement of the production infrastructure. Development projects are designed to maximize environmental conservation and pollution prevention.

"Grindeks" is the "green thinking" company that in the created Environmental Protection System continuously seeks solutions for saving environmental resources. The company carries out regular environmental protection measures on the bases of assessment and the monitoring results of environmental impact.

Company's environmental protection policy or the component of operational framework is taking the following actions:

- environmentally friendly product or the "green" purchase;
- reduction of energy consumption;
- waste reduction;
- reduction of water consumption;
- reduction of emissions to air and atmosphere;
- reduction of raw material consumption per unit of production;
- reduction of the product impact on the environment, improving the product, its production and the innovation process.

"Grindeks" as the chemical manufacturer implements a responsible environmental policy for the long-term and systematic work on environmental protection.

According to the Cabinet of Ministers of the Republic of Latvia regulations No.294 of 9 July 2002 "On the declaration of A, B and C categories` polluting activities and on the procedure of giving authorizations of A and B category" (with amendments), the State Environmental Service`s Regional Environmental Authority of LielRīga issued "Grindeks" a class A license to the existing polluting activities on 1 November 2007.

Environmentally friendly product or the "green" purchase

Effective therapeutic agents and medications usually cannot be made from environmentally friendly products, and complex chemical products can be obtained only from other simpler chemical products. The company tests and evaluates the most environmentally friendly technologies and raw materials, and, if it is possible to get good quality medications using them, then environmentally friendly products are purchased, such as environmentally friendly solvents (water, alcohol, etc.), water-soluble and natural vegetable dyes, etc.

Reduction of energy consumption

"Grindeks" is proud for its achievements in reducing energy consumption. The following actions have been taken: the regulation of heat supply; the replacement of the old steam boiler and of ventilation equipment to more modern equipment; heat and thermal insulation of buildings and equipment; different organizational arrangements that allow to operate equipment more efficiently, etc. "Grindeks", improving existing and constructing new production sites, before starting a design and construction, especially evaluates and chooses the most optimal option of the planned heating, hot water and steam systems. All of the ventilation equipment of the company is gradually replaced to less energy-intensive systems.

Waste reduction

Waste reduction measures in "Grindeks" are taken by using the EU recommended best available techniques, the most significant of which is an increase in the reaction outcome of processes, thereby reducing waste. One such technique is the recovery of the used solvents and the valid component extraction from the liquid waste. Through small steps in the production of each product, significant results are achieved.

Waste, created in the production processes, is collected in groups. Hazardous waste is transferred to licensed disposal organizations, less hazardous – biologically cleaned in the wastewater treatment plant or recycled wherever possible. "Grindeks" is the partner of the Green Dot of Latvia, JSC "BAO" and other waste management organizations.

Reduction of water consumption

At "Grindeks" water consumption reduction has achieved significant results. According to the company's environmental plan, in 2009 a modern biological sewage purification plant was put into operation, in which in the environmentally friendly manner wastewater of the company's plants are purified, thereby "Grindeks" no longer uses chemical and energy-intensive treatment types – wastewater dilution with water, to reduce concentration of chemical substances to the standards set by law.

The concept of the industrial sewage purification plant is currently one of the most modern concepts confirming that pharmaceutical industry and development of the company is consistent with careful attitude to nature. The technologically modern purification plant is a purposefully planned investment project, so that upon increasing production capacities we could not only ensure the growth of the turnover of "Grindeks", but also efficiently take care of the environmental protection. Construction of the "Grindeks" industrial sewage purification plant was implemented within two years. New, closed-type purification systems not only ensure the removal of pollution from wastewater, but also help to eliminate the spreading of the smells characteristic to such systems. A laboratory is also established in the purification plant where the wastewater analyses and the result monitoring are made.

"Thinking Green" and environmental initiatives provide business opportunities – in the future, "Grindeks" plans to develop and expand sewage investigation in the laboratory of purification plant, as well as provide sewage purification modelling services to other industrial companies.

In 2010 "Grindeks" installed collection and treatment facilities of artesian water, and with that the drinking water is no longer used for the technical needs, used to use mainly in the chemical plant for cooling the equipment. In this system the water is returned to the pool, chilled and re-used.

Reduction of emissions to air and atmosphere

"Grindeks" takes measures to reduce emissions into the air and atmosphere. The company carries out the replacement of ozone depleting refrigerating agents in the refrigeration equipment - production technologies are being redesigned, without using ozone-depleting solvents (carbon tetrachloride, chloroform) in the manufacture and to make a significant reduction of other environmentally unfavourable solvents. Closed equipment prevents the release of dust into the atmosphere, to the equipment and dust filters, the receivers of acid gases and solvent vapour are installed to the possible emission sources. These receivers also prevent odours from spreading. Even the wastewater treatment takes place in closed containers and all the emissions from the treatment plant are absorbed, so it does not feel the open-treatment plant characteristic odour.

Reduction of raw material consumption per unit of production

To minimize the production process of raw material consumption per unit of production, "Grindeks" makes substantial waste reduction measures. Particularly effective is the recurrent use of the recovery of solvents - which have the greatest impact on the environment. There are production sites, where the fresh and the recovered solvent ratio, used in the process is from 1:5 to 1:20.

“Grindeks” and Society

Like other socially responsible companies throughout the world, “Grindeks” has voluntarily undertaken to help improve the social and environmental problems of the society. In addition to developing its business, “Grindeks” also allocates funds for the sustainability of society.

“Grindeks” is a reliable social partner, supporting the development of educated, healthy and cultural society. The management of the company believes that the society is entitled to expect support from the successful, financially stable and positively oriented companies, and this position is one of the basic concepts of the development of “Grindeks”.



Sponsorship and Society Support Policy

The company has developed the Sponsorship and Society Support Policy that determines evaluation criteria and procedures of sponsorship and support by the company. The aim of the Sponsorship and Society Support Policy is to promote the formation of educated, healthy and cultural society.

“Grindeks” supports projects that target particular groups of the society, thus, emphasizing the strengthening of relationship and loyalty with these groups. The main target audiences are:

- doctors;
- pharmacists;
- public opinion makers.

“Grindeks” major sponsorship and support areas are:

- promotion of medicine and health;
- education and science;
- culture;
- charity.

“Grindeks” can also support the sponsorship of projects that are socially active, environmentally friendly and could draw wide public attention.

“Grindeks” sponsorship policy does not support:

- individuals, families or individuals in the fields of sport and culture;
- religious and political activities or organizations;
- tourist trips.

“Grindeks” sponsorship and support activities are carried out strictly observing the Law on Promotion of Medicines as well as the Code of Ethics.

In 2009 “Grindeks” continued implementation of various social activities and support projects under its Sponsorship and Society Support Policy, which priority is the projects in pharmacy and other projects related to this area. The employees of the company are regularly invited to participate in the society support programs of donation/charity, not related to the professional scope of activities.

Support of Science and Education

"Grindeks" is one of the few Latvian enterprises, providing practical support to the development of science and education in Latvia. The company's dialogue with the society accomplishes by investing in the activities of "Grindeks" Foundation "For the Support of Science and Education", supporting organization of conferences and publishing of literature of the pharmaceutical sector, explaining the educational and career opportunities in science, organizing excursions and sponsoring projects in sports and charity.

In 2009 a number of important steps are made to support and promote education in engineering and natural sciences and pharmacy, as well as to dignify the Latvian and foreign scientists and teachers for the achievements and contributions in the manufacture of new pharmaceutical products and for the research of the Latvian history of pharmacy, and for the merits in the development of the Latvian pharmacy and "Grindeks". Over the years, "Grindeks" has established close cooperation with the Latvian educational institutions – thus during 2009 the company was attended by 996 students on excursions, while 100 students went on praxis.

Communication

"Grindeks" appreciates the principle of openness and transparency, therefore, develops extensive internal and external communication activities. For communication with audiences, the company uses integrated methods of communication, including advertising, public relations, event marketing, interactive communications, etc. At the same time, the company complies with the restrictions, which prohibit the advertising of prescription medicines to the broad audience.

"Grindeks" regularly participates in the social events and actively informs the public on the business news - medications, achievements, performance results, etc. This helps not only to increase the total turnover, but also to strengthen "Grindeks" brand and to promote public awareness of health issues. Product promotion activities in the market are complemented by informative and educational articles in specialized publications. Seminars are held for physicians and pharmacists, in which, clients of "Grindeks" can find product news, can obtain fresh information on the health sector in general and exchange views. Cooperation partners regularly receive the company's newspapers in the electronic and paper format. To improve the company's operations, "Grindeks" encourages and receives feedback from stakeholders, including physicians, end users, etc. "Grindeks" as a socially active company actively speaks at conferences, and regularly receives visitors from foreign embassies, the existing and potential partners, as well as organizes excursions around the company to pupils and students of the field, pharmacists and others interested.

Latest information on the company is regularly inserted on the web site of "Grindeks" www.grindeks.lv, in which the information is posted in Latvian, Russian, English and Spanish.

"Grindeks" regularly carries out sociological studies to determine the society's attitude towards the company. Similarly, the company always responds to the public on the issues at stake - by phone or writing letters of response. Various questions about the medications, shares etc. are often asked through the company's web site.

The company has introduced a computerized document management system that ensures compliance with legislation, the lifecycle of electronic documents and signatures, the traceability of operation to a particular employee, the necessary validation process and to determine each employee's role and responsibilities. The company has created an internal communications portal – Intranet.

Working Environment

Professional employees, who use their knowledge and skills to achieve the set goals, are the main value and the factor of success of the company. "Grindeks" is aware that skills of the employees, their creativity, ability to create ideas and new products are the key factors to develop the business. Therefore "Grindeks" pays much attention to the work environment.

In its daily work, "Grindeks" undoubtedly observes internationally recognised human rights, respects the principle of equality of genders, religions, cultures, races and ethnical groups, freedom of speech, association and assembly.



Occupational Safety and Health System

The issues of the working environment and safety "Grindeks" solves methodically, and they are integrated into the work process. The company has established successful cooperation with several educational institutions, setting up training programs for youth that provides practical skills and prepare for many professional and skilled workers.

Labour safety issues in the JSC "Grindeks" are solved methodically and integrated in the work process. We have established successful cooperation with several education establishments, by creating training programmes for the youth that secure acquirement of the practical skills and prepare more professional and skilled young employees.

The company has a comprehensive working environment risk reduction system, involving the management and covering nearly all processes. Each employee of "Grindeks" is involved in the system of labour safety and can report for improvements on the working environment and conditions. The company organizes the Healthy Working Environment Day, in which the company's board members, directors, department managers meet with their department staff to discuss working conditions, working environment risk reduction plans and priorities for work to be done.

In order to avoid exposure of dangerous chemicals to workers, the documentary procedure of working environment risk evaluation is developed, which includes all of the results of the risk tracking and recording, as well as labour safety and health activities planning and impact monitoring.

At the end of 2008 at "Grindeks" Business Continuity Management Process was developed, which aim is to ensure safe and flexible business environment that is able to promptly and effectively respond in a case of a major incident. It promotes rapid restoration process of operation and helps to protect assets and company reputation. The process includes a rapid response plan, a crisis management and communication plan and recovery strategies. To ensure continuity of business operations, in 2009 the company introduced the Crisis Management and Communication Plan. Its purpose is to ensure that crisis management is structured and transparent. The plan defines the problem areas, issues which may be confronted with a high probability.

Understanding attitude and support of "Grindeks" management together with the involvement of each employee is a warrant of occupational safety and health (OSH) system success leading to continuous improvements to promote safe and health- friendly workplace.

It is not only the objective of OSH Development Programme 2007-2010 of Latvia but is one of the main conditions for sustainable development of "Grindeks", too.

On the company's website www.grindeks.lv, the detailed material on Occupational Safety and Health System at "Grindeks" is possible to access in the section "Environment. Quality. Safety."

"Grindeks" has received a Note of Acknowledgement for permanent and effective participation in the Latvian State Labour Inspectorate competitions, and has been nominated for participation in competition of the European level on the work environment risk evaluation and reduction. In 2007 "Grindeks" received the European Good Practice Award on the subject of occupational safety.